

Enduring Values | Lasting Impact



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Nearly 60 years ago MEDA made its first investment in Paraguay. Back in 1953 a group of visionary business executives partnered with farmers in Paraguay's Fernheim Colony to build up cattle herds and start the Sarona Dairy, named after the biblical "plain of Sharon." It became a smashing success, still visible today in the Mennonite colonies' domination of the dairy industry.

That was the beginning of MEDA, a groundbreaking effort to meet capital needs and share risk with the poor by investing in the private sector.

As the Paraguayan partners repaid this investment, a pool of capital was created to re-invest elsewhere on behalf of the poor. Today, MEDA is still investing those 1953 dollars.

Then, as now, MEDA was committed to creating business solutions to poverty. That central value endures to this day.

What also endures – and ripples through every venture MEDA undertakes – is a resolve to create long-term impact. We are not interested in temporary, one-off responses. When we devise novel financial mechanisms that enable the poor to reach their potential, or create market linkages that empower women in oppressed regions, we seek change that lasts.

And, as you'll see in this report, our track record shows it.

FY2011 Highlights

Global clients reach 20 million

Net surplus: \$928,000

Sarona vaults to premier leagues

First mini-convention in Europe

Mobile banking takes off

New \$12 million project in Ethiopia

Member investment up by a third

800 attend MEDA events

Mosquito nets cover 25 million

Chapter hosts "greenhouse tour"

Europe donations grow 10 percent

2,349 Afghan women empowered

Sarona targets African technology

Youth clients triple in Morocco

Cover

Visitors from MEDA's Ukraine Horticultural Development Project examine pepper plants at Nature Fresh Farms, Leamington, Ont., during a tour of Canada's "greenhouse capital" hosted by the Leamington MEDA Chapter.

Irina Antonovskaya photo

Executive View

At the 2011 World Economic Forum in Davos, Switzerland income inequality and corruption were singled out as the two most serious challenges facing the world. And at an OECD policy forum, Richard Freeman, professor of economics at Harvard University, said “the triumph of globalization and market capitalism has improved living standards for billions while concentrating billions among the few. It has lowered inequality worldwide but raised inequality within most countries.”¹

Nearly 60 years after MEDA first invested to create new economic hope for desperately poor farmers in Paraguay, our mission is even more relevant. Today, as then, we remain committed to creating business solutions to poverty for the poorest of the economically active. While economic growth has raised living standards for many millions in low income countries, there is an ongoing and growing need for the poorest to unleash their entrepreneurship and create sustainable livelihoods for their families.

Our **Enduring Values** continue to create **Lasting Impact**. Reflecting our faith values, we endeavor to be honest in all that we do; to build relationships that promote trust and peace; and to demonstrate practical and creative business solutions, where we share with the poor in the risk that these entail for them. We believe partnering and investing with local business structures is the most efficient way to help the poor gain access to the capital, markets and training they need. We leave behind profitable businesses or institutions that continue MEDA’s work long-term. And, we believe collaboration with others in this work is vital to ensuring good stewardship of God’s resources.

We believe we have succeeded when our work is sustainable, measureable, scalable and replicable. How have we done?

This year we were able to help a record 20.2 million families realize healthier, more economically sustainable lives. Working through 150 partners in 60 countries we reached:

- 12.2 million rural homes in Tanzania with mosquito nets; every 1,000 nets in use saves 5.5 lives, which equals over 67,000 lives saved;
- 6.5 million households through microfinance institutions and small companies where MEDA has invested Saroná funds;
- 1.5 million farmers and entrepreneurs who are earning better incomes (often double or triple) through training, financial services and access to markets.

These numbers do not count clients of organizations we worked with in the past who continue to serve thousands of entrepreneurs long after MEDA is no longer directly involved.

Your contributions made this possible! We multiplied your \$3 million in private contributions through government and foundation funding to achieve a total budget of nearly \$47 million, up 42% from last year.

Assets in the Saroná Risk Capital Fund increased 6% to \$16 million, private direct investment in MEDA programs increased 33% to \$41 million, and assets under management rose 9% to \$178 million.

We were grateful to see a net surplus of \$928,000, resulting from an operating surplus of \$1.1 million and a net loss of \$153,000 in the value of our Saroná Risk Capital Fund.

We are particularly pleased when clients and partners tell us that their financial and health improvements were only a part of the story. In Haiti, we heard dozens of women talk about how they had been helped by MEDA’s partner, Fonkoze, and how they felt truly cared for and respected. Fonkoze said this was also what they felt from MEDA staff and that is why they appreciate so much our long-term relationship.

We are immensely grateful to our supporters and our board who generously share their time, skills and resources to help build enduring values, lasting impact and open doors for God to create hope. We invite you to join in this work.



Allan Sauder



Allon Lefever

Allan Sauder President

Allon Lefever Chair

¹ As reported by the Conference Board of Canada at <http://www.conferenceboard.ca/hcp/hot-topics/worldinequality.aspx>.

Market Linkages ML

Strengthening market linkages that the poor depend on for their livelihood and well-being

Roadside stands, street stalls in teeming cities – the market is everywhere in the developing world. That’s the economic nerve center where daily trade marks the border between health and sickness, between livelihood and hunger.

For well over half a century MEDA has worked at the market – a strategic nudge here, a new venture there – mastering *enduring values* that produce *lasting impact*. The gate separating poverty and prosperity hinges on building robust local businesses that serve the poor.

Excellence in market-led initiatives has made Market Linkages a global leader in value chain development, agricultural programs, commercial solutions for health and women’s economic empowerment. ML offers services in these areas through sub-contracts, consultancies and long-term program management. Highlights from 2011:

- **Tanzania** MEDA’s battle against malaria, using market-boosting vouchers, brought life-saving mosquito protection to 80 percent of the population as the volume of insecticide-treated bednets reached 25 million.
- **Ukraine** 3,500 small farmers are creating thriving ventures on land once tilled by Mennonites. This year select clients visited Canada’s “greenhouse capital” to get a glimpse of their promising future.
- **Pakistan** The phenomenally successful Pathways & Pursestrings project was extended. It improves market access for homebound embroiderers and women working with traditional textiles, milk collection, bangles and seedlings.
- **Ethiopia** FY11 saw the successful launch of a \$12 million project to assist rice farmers and home-based textile producers.
- **Peru, Nicaragua** ML is working with MEDA’s Techno-Links initiative so farmers in remote areas can utilize simple technology. Agricultural suppliers are being helped to widen their distribution channels so that more small farmers can get the basic help they need to improve productivity, increase food security and stimulate rural growth.
- **Afghanistan** Through The Garden Gate drew to a close after four years of helping 2,349 women establish themselves as vegetable farmers. Its success reinforces MEDA’s innovative approach to boosting family livelihoods while empowering oppressed women who will continue as producers of food and community leaders.

Ever alert to fresh opportunities, Market Linkages devised a new food program in northern Ghana. And in Sudan, whose historic subdividing captivated world attention this year, ML staff were on the ground within two weeks of the transformation to begin fashioning a food security and youth livelihoods project for the new nation of South Sudan.

Afghanistan Through The Garden Gate

Farmer annual income	
Start of project, 2007	\$38
End of project, 2011	\$323

Lead farmer annual income	
Start of project, 2007	\$101
End of project, 2011	\$866

Visitors from MEDA’s Ukraine horticultural project are poised to leapfrog to new prosperity after seeing Canada’s “greenhouse capital.”

Steve Sugrim photo



Financial Services FS

Enabling poor entrepreneurs and households to earn sustainable livelihoods by increasing access to high-quality financial products and services

Odd as it may seem, last year's monsoon flood in Pakistan opened a window to equip throngs of Pakistanis with something most don't have – access to the most basic financial services. In a country of 170 million, 90 percent are “unbanked” yet nearly half use cellphones. MEDA's Financial Services department has seized this unusual opportunity to help a leading bank take “branchless banking” to many more of the world's bottom billion.

Last year MEDA played a management and monitoring role as United Bank Limited (UBL) jump-started flood relief efforts (funded by the Bill & Melinda Gates Foundation). UBL issued 1.1 million debit cards pre-loaded with relief cash from the government of Pakistan. This not only helped victims get back on their feet but also gave them a first contact with formal banking – not to mention catalyzing UBL to learn more about serving this marginalized group. Now MEDA and its partner, Reboot, have undertaken market research to help UBL expand its outreach to this unserved sector.

This is one huge stride MEDA made this year to establish itself as a global leader in the growing field of mobile banking.

Its Techno-Links project is promoting mobile transactions in Nicaragua (through MEDA's own *MiCredito* institution) and Zambia, where it works with Mobile Transactions Zambia (MTZ), a leader in branchless banking. MTZ uses its vast network of commercial agents to help the poor engage in the financial system with money transfers and remittances. Now MEDA is helping it expand its range of services with new products like savings and loan disbursements.

In Haiti, FS is financing a pilot project for its longtime partner Fonkoze, the country's leading microfinance provider, as it sets up systems for advanced management reporting and supporting innovations with technology such as mobile remittances among Haiti's poor.

FS had an active year helping microfinance partners to develop vital deposit mobilization programs for poor people who may never have walked into a bank. A safe place to keep money, even small amounts, can help the poor spin out of the spiral of debt. MEDA staff carried out contracts with a range of industry-leading organizations in Philippines, Nepal, Sierra Leone, Liberia and Yemen.

YouthInvest groomed many more young people in Morocco and Egypt for successful employment and entrepreneurship. The five-year \$5 million program, supported by The MasterCard Foundation, provides training and financial literacy to the exploding but neglected youth sector. A mid-term external review affirmed strongly that the project successfully met young people's needs for skills and financial products to find meaningful work. In Morocco, YouthInvest trained three times as many youth as last year for a total of 11,900, 62 percent of whom then opened savings accounts as a result.



Multitudes of rural women, like this village milk collection agent, have seen their incomes magnified by MEDA programs. New initiatives are adding “branchless banking” to the mix, serving thousands of Pakistani women through a unique collaboration of MEDA, United Bank Limited, and the Bill & Melinda Gates Foundation.

Panthea Lee/Reboot photo

MEDA Clients

YouthInvest Morocco

Now at its midway point, the five-year YouthInvest project has equipped 11,900 Moroccan young people with business and financial literacy skills. Many have found jobs or opened a business. Nearly two-thirds have opened savings accounts.

They've also learned communication and conflict resolution.

Visitors on a recent tour were taken to the community of Ouarzazate in Morocco's Atlas Mountains where a YouthInvest class was in progress. Students took time out from their 100-Hours-to-Success instruction to pose.

Agnes DeFehr photo

Among the outcomes listed:

"I can work with people better."

"Better behaviors – family notices it."

"My family feels that now I am responsible enough to discuss things."

"I look for solutions, even if I have issues with someone."

"I can look for a job myself."

"I use my money carefully – cautious in spending."

"I have confidence to start a business – now I think it's possible."

"I had an idea before, but now I have put it into place and also employ two persons."

Pathways & Pursestrings

Fahmida, in Pakistan's Punjab district, had a small business tending and selling milk from a few cows. Then she became an agent with Pathways & Pursestrings – collecting, testing and selling milk produced by women in her village. In 18 months she dramatically grew her business and transformed her life.

Her husband, Hakeen, previously a farmhand, joined his wife in the business. Together they tripled the number of women milk producers they link to the markets (15 to 45) and plan to increase it further. Their family business now generates \$16 a day, a nearly five-fold increase. Each of their four children has been bequeathed a calf, purchased from the proceeds of the

business, to start their own household enterprises when they marry and move out.

Pathways & Pursestrings works in the dairy, garment, seedling and bangles sectors to increase homebound women's incomes in hard-to-reach areas. It has served 17,493 clients, with an average household size of 6.8, bringing total reach to 118,952 beneficiaries.

In a 2011 study respondents listed benefits (in order):

- income gain
- improved status for women
- increased business skills
- improved production
- female mobility
- school attendance for children
- better household nutrition and food security
- improved family health



MEDA Staff

Proud of our Enduring Values

Every time I am asked to talk about my job and what I do for a living I feel proud. I find myself talking about values and how I am sharing them with a great group of colleagues. I find myself also using terms like respect, hard work, low profile and many other values. But the most important part is that we share these values also with the beneficiaries of our activities and services. Youth whom we serve see in MEDA a strong and trustworthy organization that is there and will be there to serve them without any other objective than improving their livelihood. Our success in my view is not limited to how well we do against some indicators, because every time we go to work we take with us our values and we put them in practice. Our impact will last as long as we believe in our values.

Adil Sadoq
YouthInvest field project manager,
Egypt/Morocco



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Adil Sadoq, left, with YouthInvest client Ismail, who operates a kitchen goods store in the Moroccan community of Ouarzazate.

Agnes DeFehr photo

the age of 23, a mother of three, confidently running her vegetable business: managing investments, addressing marketing concerns, formulating production strategies, modeling behavior for her young daughters and her community – and I nearly burst with joy in knowing that we were part of her transformation from malnourished, reticent, skeptical and very poor woman to burgeoning confident entrepreneur. There is no doubt in my mind that our activities will positively influence the health and prosperity of that entire community for years to come. THAT is the candy of this job; that's why I'm here.

Helen Loftin
director of women's economic development

Helen Loftin with naan bread hot out of the oven in Afghanistan.



Proud of our Lasting Impact

No job I've ever done before has been as rewarding as my work at MEDA. It takes no more than a visit to any one of the communities where we work and a couple of minutes of interaction with a client, to reaffirm that we (she & I & MEDA) can change the world. I watched Shebana from rural war-torn Afghanistan, at

Where we're headed

Where are the best opportunities to serve the poor with our unique faith-business-development approach? Here are eight strategic areas where MEDA is seeking to become a global leader:

1. Agriculture

More than half of all households in the developing world depend on small-holder farming; food production must double by 2050.

What we're doing:

Value-chain assistance to vegetable farmers in Ukraine and rice producers in Ethiopia; technology aid to small farmers in Peru and Nicaragua.

2. Inclusive rural financial services

Access to rural financial services is vital to improve small-holder agriculture and create rural off-farm incomes, especially for women and youth.

What we're doing:

Extending mobile transactions to unbanked sectors in Pakistan, Haiti, Zambia and Nicaragua; developing rural lending products for small and medium enterprises in Afghanistan.

3. Investment in Small and Medium (SME) businesses

This sector is the missing or under-developed driver in many developing economies.

What we're doing:

Sarona has invested in six funds and in turn 43 companies which employ 95,000 people and serve nearly six million low-income clients.

4. Business of health

The economies of many countries continue to be disrupted by endemic diseases that can be substantially reduced through improved availability of drugs and health services.

What we're doing:

Malaria prevention through mosquito nets (Tanzania) is continuing, with over 25 million distributed; new market-led directions explored in maternal/child health, insurance and severe febrile illness.

5. Youth and financial services

The worldwide youth population is growing, restless and often unemployed.

What we're doing:

YouthInvest, showing consistent growth in Morocco, is expanding to Egypt and potentially two new countries in Sub-Saharan Africa.

6. Deposit mobilization

Savings is critical to sustain households, small businesses and communities –

especially for the poor who lack social safety nets.

What we're doing:

Providing savings expertise and regulatory transformation tools through consultancies in Philippines, Nepal, Sierra Leone, Liberia and Yemen.

7. Women's economic development

Women-headed households are among the poorest; in many societies, women's potential to contribute economically is constrained by barriers that MEDA has helped overcome.

What we're doing:

Empowering market women in Afghanistan and Pakistan; major expansion underway to highly successful Pathways & Pursestrings project in Pakistan.

8. Engaged and growing association

A key MEDA strength and competitive advantage is our association of supporters.

What we're doing:

Engaging 8,000 people in North America and Europe in MEDA's mission (financial support, attend events, visit MEDA projects, utilize publications and engage at a governance or business advisory level).

Where we worked

MEDA's activities reached 60 countries in FY2011. Countries in **bold** are where we carried out direct programming (projects/directly managed investment). The rest of the countries are where we had indirect involvement (consulting/indirect investment).

Afghanistan	Guatemala	Rwanda
Algeria	Haiti	Sierra Leone
Argentina	India	South Africa
Armenia	Italy	Sri Lanka
Azerbaijan	Ivory Coast	Syria
Bosnia	Jamaica	Tajikistan
Brazil	Kazakhstan	Tanzania
Burundi	Kenya	Togo
Cambodia	Kosovo	Tunisia
Cameroon	Liberia	Uganda
Canada	Libya	Ukraine
Colombia	Madagascar	United Kingdom
Ecuador	Mexico	United States
Egypt	Mongolia	Uruguay
El Salvador	Morocco	Yemen
Ethiopia	Mozambique	Zambia
France	Nepal	
Gambia	Nicaragua	
Georgia	Nigeria	
Germany	Pakistan	
Ghana	Paraguay	
	Peru	
	Philippines	



Establishing private investment as an effective solution to global poverty

A generation ago MEDA proved the poor are bankable. When few dared to lend to the poor, MEDA took a risk and became a pioneer of the microfinance movement. The success of microfinance wasn't a surprise to MEDA. It had, after all, begun successfully investing in small businesses in developing countries well before that. MEDA boldly invested in early-stage companies and funds that benefit the poor and, more recently, began inviting private capital to follow. Again MEDA was a pioneer – giving private investors (and increasingly Wall Street) a new vision for how to make a difference without sacrificing commercial returns.

Today that new industry is known as “impact investing,” and MEDA – through Sarona Asset Management Inc. (SAM) – leads the way as an innovative bridge between private capital markets and investment opportunities in emerging and frontier markets. It manages the \$16 million investment portfolio for MEDA's Sarona Risk Capital Fund and creates other impact investment funds which, together with MicroVest funds, amount to \$180 million in assets under management.

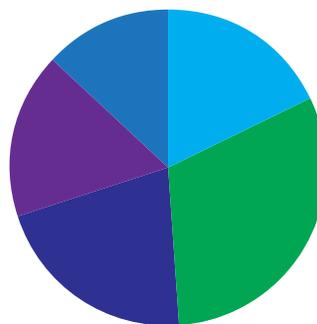
Sarona's unique brand of upside-down investing alerted the world to the sparkle of frontier markets in emerging economies. It demonstrated, for example, the robust potential of Africa's rate of return on foreign investment. Now it is showing the way to the immense potential of the continent's booming Information, Communication and Technology (ICT) sector. According to World Bank studies, a 10% increase in broadband internet penetration increases African countries' annual GDP growth by 1.4% from new ICT companies. African technology integration boosts economic development and equips the poor to gain access to vital banking services.

MEDA's Sarona Risk Capital Fund is helping Africa get connected by investing in a venture capital fund that invests in key players in Africa's burgeoning cable distribution and broadband internet industry. It also invested in a firm with secure mobile phone software enabling users to access banking facilities, pay bills, initiate transfers and distribute e-vouchers.

The Sarona Frontier Markets Fund put money into an Asian energy fund that invests in run-of-the-river hydro, wind, solar and bio-mass projects in India and Philippines, and funds that invest in small/medium enterprises (SMEs) in Africa, India and Mexico.

Late in the fiscal year MEDA took a timely bold step to vault SAM into the premier leagues of impact investing. With SAM growing ever-larger into a soon-to-be regulated asset management company, MEDA decided to shift to private management and increase appeal to institutional investors who prefer to deal with for-profit companies. Accordingly, 90 percent of SAM was sold to private management and ownership. The new structure allows SAM to grow at a more vigorous pace, become yeast in a much larger bowl of dough, and achieve MEDA's mission to a greater degree than was possible before.

Where money goes: An example of impact investing by the Sarona Frontier Markets Fund.

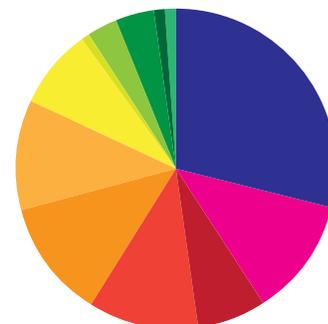


Exposure by Region
percentage

LAC	18
Africa	31
South Asia	21
East Asia	7
Eastern Europe & CIS	13

Abbreviations

LAC	Latin American Countries
CIS	Former Soviet Republics
ICT	Information, Communications, Technology sector
FMCG	Consumer Goods



Exposure by Sector
percentage

Agribusiness	29
ICT	12
FMCG	7
Clean Energy	11
Financial Services	12
Light Manufacturing	11
Health	8
Education	1
Affordable Housing	3
Professional Services	4
Sustainable Forestry	1
Water	1

MEDA Engagement ME

MEDA thrives on its supporters – not only their donations but also their vitality as they radiate entrepreneurship and model cherished values at home. Mobilizing these linkages is at the heart of the MEDA Engagement department, which bolsters personal connections, secures diverse sources of funding, and expands public awareness to a burgeoning body of business-minded folk who want their faith and work to make a lasting impact.

Private contributions reached \$3 million FY2011. These funds, multiplied a dozen times or more by grants and contracts, are pivotal to MEDA's ability to create new business solutions to poverty. In addition, MEDA members' direct investment in MEDA programs increased 33 percent to \$41 million.

The Association Engagement part of the ME team produces events and resources to deepen awareness of MEDA's work and invigorate the faith values upon which it is based. The centerpiece convention, held in Calgary, explored "Unleashing Entrepreneurship." Mini-conventions took place in Lancaster, Pa., and Waterloo, Ont., and the annual Mennonite Entrepreneurs Conference was held in Palm Springs, Calif. MEDA also co-sponsored a workshop in Kansas for pastors and businesspeople on "Business Leaders and Pastors: Partners in Leadership & Ministry?" Combined attendance at these events exceeded 800.

Exciting online features, such as *MEDAzine*, told the MEDA story in captivating new ways (check it out at www.meda.org). *The Marketplace* magazine unfolded how faith-based entrepreneurship enriches daily life. The former *MEDA News* publication was replaced by a new periodical, *So What?*, which drills down to the long-term impact of MEDA projects.

Staff helped 16 chapters connect with MEDA's global work. Seven chapters raised \$105,000 for MEDA projects, three chapters raised nearly \$30,000 for MEDA-endorsed local projects and one raised \$10,000 for MEDA Trust. Visitors from MEDA's farm project in Ukraine were mentored during a week-long "greenhouse tour" put on by the chapter in Leamington, Ont.

Staff also strengthened relationships with the business departments at Mennonite colleges and developed new resources for congregations.

FY11 was the second year of MEDA's Europe office, whose goal is to develop the private and institutional donor/investor market in the European Union.

MEDA Europe held its first mini-convention in Frankfurt, Germany, with 33 attendees. It was prominent at Mennonite and other church conferences in Europe and at the European Microfinance Week in Luxembourg. Donor visits were arranged to MEDA projects in Morocco and Ukraine.

Spurred by the impact of the Haiti and Pakistan disasters, European contributions to MEDA grew 10% over the previous year and exceeded projections by 38%.

MEDA visibility was also expanded through messages in Christian magazines and web and print resources in European languages. A next step is to target private donors in the Swiss Mennonite market.



Engagement in action: Greenhouse experts in Leamington, Ont., mentored visitors from MEDA's horticultural project in Ukraine.

Steve Sugrim photo



Financials

Mennonite Economic Development Associates

Consolidated Balance Sheet Unaudited

As at June 30, 2011
(stated in '000s US Dollars)

	MEDA Sarona Risk Capital Fund	MEDA Operations	Total	Total
	2011	2011	2011	2010
Assets				
Current assets				
Cash and short term investments	104	11,012	11,116	18,057
Accounts receivable and other current assets	69	1,970	2,039	1,498
Advances to related parties and partner agencies	26	252	278	1,043
Current portion of loans receivable	2,483	–	2,483	1,360
	2,682	13,234	15,916	21,958
Non-current assets				
Investments and loans receivable	10,848	100	10,948	7,340
MEDA member direct investments and loans receivable	2,542	–	2,542	2,782
Capital assets	–	1,109	1,109	1,060
	13,390	1,209	14,599	11,182
	16,072	14,443	30,515	33,140

Sarona Risk Capital Fund

Innovative early-stage finance
for development companies

June 30, 2011 '000s USD

Key Investment Assets

MicroVest – short term investments	3,069
Sarona Frontier Markets Fund – equity	2,385
CODIP S.A., Paraguay – equity	1,293
Agro Capital Management, Ukraine – equity	1,164
IMON Finance, Tajikistan – equity	1,029
MiCredito, Nicaragua – equity and loan	926
MicroVest Capital Management – equity and loan	778
Microfinance banks, Georgia – deposits	750
Microfinance bank, Ecuador – deposit	465
Fonkoze, Haiti – equity and loan	365
Mobile Transactions Zambia, Inc. – loan	300
Sarona Asset Management, Inc. – loan	260
Sarona Risk Capital Fund 1, LP – equity	191
MFX Solutions – equity	100
Prodir, Paraguay – equity and loan	86
Morweena, Paraguay – loan	80
Smucker Co, USA – job creation loan	49
Miscellaneous	41

Other

MEDA members' direct investments	2,542
	15,873

Liabilities

Current liabilities

Accounts payable and accrued liabilities	142	2,360	2,502	1,344
Deferred grants and contracts	–	7,321	7,321	14,036
Deferred contributions	–	575	575	440
Due to related parties and partner agencies	594	(39)	555	–
Current portion of notes payable	2,980	–	2,980	3,429
	3,716	10,217	13,933	19,249

Long term liabilities

Notes payable	6,374	581	6,955	4,706
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Net assets

Subvention certificates	200	–	200	672
Sarona Risk Capital Fund	5,782	–	5,782	5,950
Unrestricted	–	3,645	3,645	2,563
	5,982	3,645	9,627	9,185
	16,072	14,443	30,515	33,140

Consolidated Statement of Operations and Changes in Unrestricted Net Assets Unaudited

For the Year Ended June 30, 2011
(stated in '000s US Dollars)

	MEDA Sarona Risk Capital Fund	MEDA Operations	Total	Total
	2011	2011	2011	2010
Revenue				
Charitable contributions	34	2,859	2,893	3,016
Grants and contracts	–	37,725	37,725	24,784
Professional fees	195	4,551	4,746	3,442
Convention and tours	–	188	188	199
Realized investment income	411	13	424	915
Unrealized investment income	376	–	376	234
Other	24	215	239	195
Total Revenue	1,040	45,551	46,591	32,785
Expenses				
Investment Fund Development	823	–	823	689
Association Engagement	–	795	795	892
Financial Services	–	8,825	8,825	3,800
Market Linkages	–	33,392	33,392	24,716
Resource Development	–	1,084	1,084	1,002
Other	370	373	743	599
Total Expenses	1,193	44,469	45,662	31,698
Operating Surplus	(153)	1,082	929	1,087
Unrestricted net assets - beginning of year	5,950	2,563	8,513	7,436
Subvention Certificate Payments	5,797	3,645	9,442	8,523
	(15)	–	(15)	(10)
Unrestricted net assets - end of year	5,782	3,645	9,427	8,513

Note: Audited Financial Statements, comprising MEDA's North American-based operations are available upon request

MEDA People

Who We Are

Mennonite Economic Development Associates (MEDA) is an association of Christians who firmly believe that unleashing entrepreneurship is the best way to alleviate poverty. We believe we are called to live our faith in our own work settings and to create sustainable business solutions to poverty throughout the world.

We are committed to:

- Creating **hope** for all people by offering economic options and taking a shared risk;
- Building relationships on **trust**, integrity and hospitality that promote peace;
- Using the disciplines and structures of **business** to create innovative and sustainable solutions to poverty.

Our Vision

...that all people may experience God's love and unleash their potential to earn a livelihood, provide for families and enrich their communities.

Our Mission

As an association of Christians, faithful in daily work and committed to sharing abilities and resources, MEDA creates business solutions to poverty.

Engagement with MEDA

We are deeply grateful for the support of the many individuals who are committed to MEDA's vision, values and programs.

We invite all people who are interested in business solutions to poverty to join forces with MEDA. Engagement with MEDA can take various forms:

- Contributing financially to support MEDA's overall work or a specific project
- Getting involved with a MEDA Chapter, where you can share the inspirations and challenges of being faithful in daily work and utilizing your gifts to alleviate poverty
- Attending MEDA's annual convention or smaller regional meetings
- Staying abreast of MEDA's work through our publications, web site and news articles
- Serving as a volunteer board member, auditor, or consultant
- Choosing to become a voting member of the MEDA association – MEDA members endorse, embrace and promote MEDA's vision and mission, make an annual financial contribution, and vote at our annual general meeting.

We welcome your inquiries. Call us at 1-800-665-7026.

Board of Directors

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Allon Lefever
hospitality entrepreneur
chair

Debbie Sauder David
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Thomas Bishop
finance executive
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